

Appendix C

Fences and Ceiling on Funds

Fences and ceilings on funds for certain authorizations place additional restrictions on OPTARs containing multiple lines of funding, such as multiple authorization records. Fences and ceilings have no effect on OPTARs containing a single authorization record or when the OPTAR's **Check for Funds** check box is unchecked.

A fence placed on a funding line ensures that the amount of funds authorized cannot be used for any purpose other than that stated in the authorization. A ceiling placed on a funding line ensures that no more than the amount of funds authorized may be used for the purpose identified in the authorization. Placing a fence and a ceiling on an OPTAR authorization creates, in effect, a “sub-OPTAR,” meaning that the amount of funding dedicated to that line of funding cannot be overspent and cannot be used for any other purpose.

The following examples illustrate the uses of fences and ceilings on funds, providing that the Fund Administrator (FA) has checked the OPTAR's **Check for Funds** check box:

- OPTAR **AA** has a total authorization of \$10,000. Three authorizations have been established within the OPTAR - **AA0001** (travel), **AA0002** (supplies), and **AA0003** (equipment). Funds have been authorized as shown in the following example:

AA0001	\$3,000
AA0002	\$2,000
AA0003	\$5,000
TOTAL	\$10,000

- If ceilings or fences are not established for any authorization within the OPTAR, any part or all of the OPTAR can be spent for any of the three purchases.
- If travel (**AA0001**) has a fence but no ceiling, the OPTAR holder can spend the entire OPTAR on travel (**AA0001**), but can only spend \$7,000 on the unfenced portion for supplies (**AA0002**) and equipment (**AA0003**). The fence insures the OPTAR holder spends at least \$3,000 on travel (**AA0001**).
- If travel (**AA0001**) has a ceiling but no fence, the OPTAR holder can spend part or all of the OPTAR on supplies (**AA0002**) and equipment (**AA0003**), but can spend no more than \$3,000 on travel (**AA0001**).
- With both a fence and ceiling on travel (**AA0001**), the OPTAR holder can spend no more than \$3,000 on travel (**AA0001**), and no more than \$7,000 on supplies (**AA0002**) and equipment (**AA0003**). In effect, funding for travel (**AA0001**) has become an OPTAR residing in OPTAR **AA**.